of peasant labour and civic industry, the wine carriers from Hungary and the lowlands bringing greetings from far-off lands. Occasionally great nobles who broke their journeys had brought the exciting atmosphere of the big world. Like shafts of lightning historical moments lit up this forest-hidden land when the Turks came to trouble even the lonely vicarage on the Pack, or later, when the French marched in via Eibiswald and Preding. After the modest deposits of iron ore had been exhausted, the valuable timber caught the eye of the iron-masters. The streams drove the wheels of the hammers in the scythe workshops. The manor house to which one of the largest, the Tunner-hammer, belonged, still stands today amidst the smoke and noise of the colliery. Ever since Archduke Johann drew up with his own hands the plans for the construction of the railway line from Graz to Köflach in the fifties of the last century, and had them put into effect despite obstinate opposition, West Styria has become more aware of the vigorous life of modern times.

EAST STYRIA. Four main roads give access from the chief town to the rich fruit-bearing country of East Styria. Around this territory winds the River Mur, sweeping southwards from the sharp angle it makes at Bruck, and then eastwards to leave Austria at Radkersburg, forming a living barrier along the boundaries of East Styria.

The white ribbon of the first road runs past Maria Trost, climbing the hill within view of the massive Schöckel, descending to Weiz where it forks, one branch leading to the northern hill country, while the main road runs dead north, right into the heart of Peter Rosegger's "Waldheimat" ("Wooded Homeland"). The second highway is that famous

133 Austrian alpine foothills, to which it by its character belongs. Sandwiched in between, on the upper Pinka, one finds a living witness to Burgenland history in the Magyar enclave of Oberwart.

175 563 The Magyars came to Pannonia about 896 A.D. In 907 A.D. they destroyed the Bavarian armies near Pressburg, thus putting an end to the Frankish-Bavarian Pannonian Mark. For half a century hordes of Hungarian horsemen overran Europe, spreading out even to France and Italy. The Battle of Lechfeld in 955 A.D. put an end to this, and the Magyars then tried to secure themselves a permanent home in the Danube Basin. Their "Westwall" was the impenetrable forests of southern Burgenland, and, further northwards, the swamps of Rabnitz. The valleys in the forest belt were defended by barricades and troops.

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Oberwart.

In one of these "Warte" or outposts, which is today the Hungarian-speaking village of Oberwart, the Magyar garrison maintained itself for 1000 years. Here the Magyar origin of the population is still evident in their speech and picturesque dress.

133 529 There are traces of almost every period of Burgenland history in the district of Oberwart. The most valuable heritage is that left by the extinct volcanoes at Tatzmannsdorf, a healing centre for heart complaints and feminine ailments—an Austrian version of Franzensbad.

135 Geologists will find much to interest them in these parts. The brown-coal mines of Tauchen, the antimony and sulphur-stone deposits at Schlaining, the iron ore which was mined even in Celtic-Illyrian times at Eisenzicken

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and on the Eisenberg and the pyrite rocks at Redlschlag are instances of the varying types of soil.

Unique in Central Europe, however, is the asbestos of Rechnitz and the Styrian jade from Bernstein. The green, veined stone is really beautiful. It comes to the workers who have inherited their trade from father to son as uninteresting stone splinters. The final products can be seen at the Vienna fair—unbelievably delicate vessels and translucent vases. The finest examples have gone to all parts of the world. The late King Alfonso of Spain even took some of them with him into exile.

306

The Burgenland is a country of ancient traditions, legends and memories. The story of the good prince Giletus and his wicked wife is supposed to explain the origin of the Neusiedler Lake. Then there is the legend of the "Wasserstoffel", a creature like a human being which lived in the Neusiedler Lake like a fish and, caught and tamed, emptied a whole sack of frogs, snails and water-snakes on to the banqueting table of his adored young mistress at her marriage, because this seemed to him to be a most delicate dish. The wedding gift was anything but well received, and the poor Wasserstoffel, who had meant it well, fled in despair and was never seen again. The Templar knights, who lost the castle of Lockenhaus through treachery, are said still to haunt it. In one of the most beautiful castles there occasionally appears a "White Lady", gentle and gracious

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The son of Wolfers von Güssing and his grandsons were called Henz, and from these proud lords whose family was one of the most powerful in the Burgenland the inhabitants are supposed to have received the name of Heinzen.

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Between Güns and the Carolingian Lutzmannsburg lies the monastery of Marienberg. It was founded in 1194 as a branch of the Austrian Cistercians of Heiligenkreuz, who about this time were granted estates on the shores at the Neusiedler Lake, where the name of Monchhof still recalls their memory.

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Frankenau and a number of neighbouring parishes are inhabited by Croats. This race is to be found in many other villages scattered throughout the whole Province. How they got there, we shall see later. First let us visit the basket weavers

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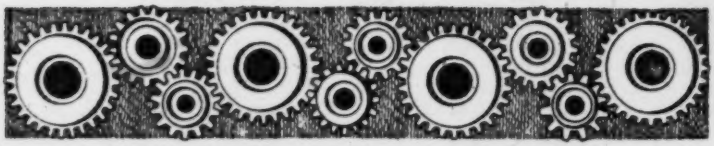

territories, Austrian producers were forced to adapt their output to these new conditions. This was of course only possible through the painful process of making certain changes in the economic structure.

The main bases of Austrian trade, as vital then as now, were:

a) the abundance of forests which ensure timber for export as well as for the furniture-making and paper industries.
b) The deposits of iron ore which form the basis of iron and steel production and the iron-working industry.
c) The wealth of water in the alpine districts, constituting an extensive source of power which is being increasingly exported in addition to supplying Austrian industry with current.
d) The recently-discovered inland oil fields (at Zistersdorf).
e) The fashion and luxury-article industry, an export factor of increasing importance.
f) The credit balance of services (tourist trade and transit trade).

It is one of the characteristics of industrial-commercial production that Austria, as a result of her comparative lack of capital, should be at a disadvantage whenever it is a question of mass production. But wherever there is a chance for painstaking finishing, special skill or workmanship, as well as good taste and original ideas on the part of the producer to play a rôle, the prospects of success are excellent. It is not only, as is often mistakenly imagined, the fashion and luxury industries to which this applies, but all the many branches of manufacturing where it is the quality of the work which counts. These factors are strengthened by the prevalence of small concerns in Austria. Factories with up to 100 employees amount to 75 per cent of the total, those with 100 to 1000 employees to a little over 20 per cent, and the factories employing over 1000 persons to only 4·4 per cent.

After the stabilisation of the currency, production and export trade showed a favourable increase between the years 1923 and 1929. Production rose during this time by nearly one third. Then followed the general slump, especially serious for Austria on account of her great dependence on export. The development which had begun so hopefully was now brought to a standstill through the external crisis.

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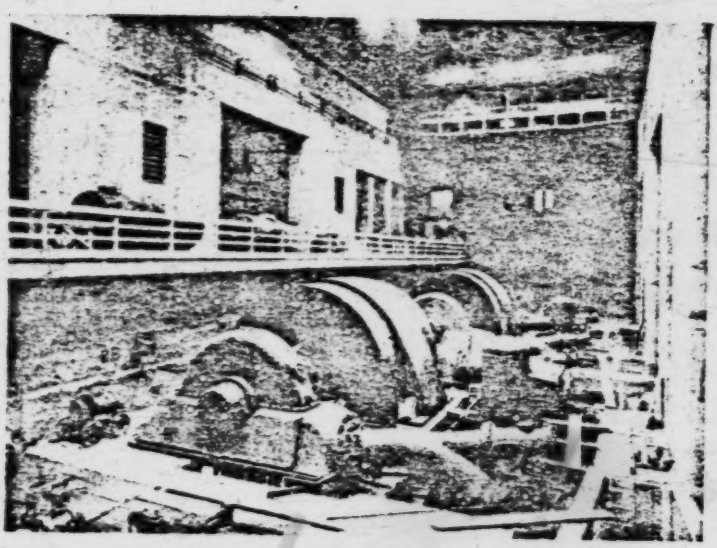

Kaprun Power House.

AUSTRIA'S RICHES—THE "WHITE COAL".

[135]

The power system of the Austro-Hungarian Monarchy was based entirely on rich coal deposits mostly located in Upper Silesia, and later re-inforced by the discovery of great oilfields in Galicia. At the end of the war in 1918, the young Republic saw itself faced with the task of replacing as far as possible the loss of almost all its coal by the available water power. The exploitation of native water power, however, was badly neglected during the First Republic because of shortage of capital; for this neglect a heavy price was to be paid after 1945.

In Western Austria, an important power producing plant—the "Ill Works" in Vorarlberg—was set up, the midway stage being reached between 1925 and 1935. It was used, however, solely to export current to Germany, and the electrification of the Austrian railways which had been begun long before was stopped half-way.

Between 1938 and 1944, the extension of the Austrian water power system was not carried out in the interests of home industry. The works built during this period were designed to supply current from the highest Austrian Alpine regions to Germany, while our own country was supposed to be supplied in winter

9: Rothschild E-4, 5 (no date) 1947 EK1 Austria EK1

ever, one of the most important natural resources of Austria: her forests. In a Europe greatly deficient in timber this is a great asset, and wood has, in fact, been one of the main items on Austria's export list. With an export of 1,236,000 cubic metres of sawn softwood—more than half of the trees are spruce—Austria provided 5·3 per cent of world exports in 1935 and took the sixth place among exporting countries.

What of Austria's resources in minerals and energy? Here the picture does not differ greatly from that presented by other industrial countries, not counting the almost self-sufficient continents of the Soviet Union and the United States: considerable deposits of certain important materials are accompanied by a more or less complete absence of others.

Take the two basic materials of heavy industry: iron ore and coal. Austria is a country with considerable resources of iron ore, 90 per cent of which comes from the famous Erzberg in Styria, where the ore has an iron content of 40 per cent. Production in 1937 was 1,885,000 tons* which—in metal content—represented 0·7 per cent of the world output; about one-sixth of this was exported. Coal, on the other hand, is only to be found in quite insufficient quantities. In 1937, production amounted to only 230,000 tons while 2,657,000 tons had to be imported. On the other hand, lignite is plentiful: an output of 3,244,000 tons required to be supplemented by only 185,000 tons of imports. Some of the lignite deposits are in close proximity to the iron ore deposits in Styria which has greatly contributed to the growth of the iron and steel industries in that district.

There are also considerable deposits of magnesite, lead, copper, graphite, and salt. In 1935, Austria produced 24

* Unless otherwise stated, "tons" always mean metric tons.

9: Rothschild E-4, 5 (no date) 1947 EK1 Austria EK1

INTRODUCTION

per cent of the world's output of magnesite and thus took second place after the Soviet Union. In producing 9 per cent of the world's graphite output, Austria followed close on the Soviet Union, Korea, and Germany.[4] The output of other minerals was less impressive and there were no great export surpluses.

About fifteen years ago, oil was discovered near the little village of Zistersdorf, near Vienna. Production was started in 1932 at the very low level of 100 tons, but it increased quickly until it reached 33,000 tons in 1937, the last year of Austria's independence. Since then the Germans, in their urgent need for oil, greatly increased the output in this district and annual production reached a level of one to two million tons. This quantity greatly exceeds Austria's peace-time requirements of oil.

As against her lack of coal, Austria is in the fortunate position of having a practically unlimited supply of water power. Although this had by no means been fully harnessed, the 1936 production of 2,680 million kW.h.[5] of electricity sufficed to cover more than half the country's energy requirements. A small proportion of this electricity (340 million kW.h.) was exported.

Stretching the meaning of "natural resources" somewhat beyond its usual limits, two further assets, of great importance to Austria's economy, may be mentioned at this juncture. These are the geographic position of Austria in the heart of Europe, and the beauty of the Austrian towns and countryside. With regard to the first, Austria and particularly Vienna have, ever since the days of the Roman traders, been important junctions of the main European traffic routes. The Danube Valley, opening a gap between the Alps and the Carpathians, provide an east-west route, linking the Balkans with central and western Europe. At the same time the Brenner

[Cf. p. 12, Cat. 116 — 7 ANALYST]

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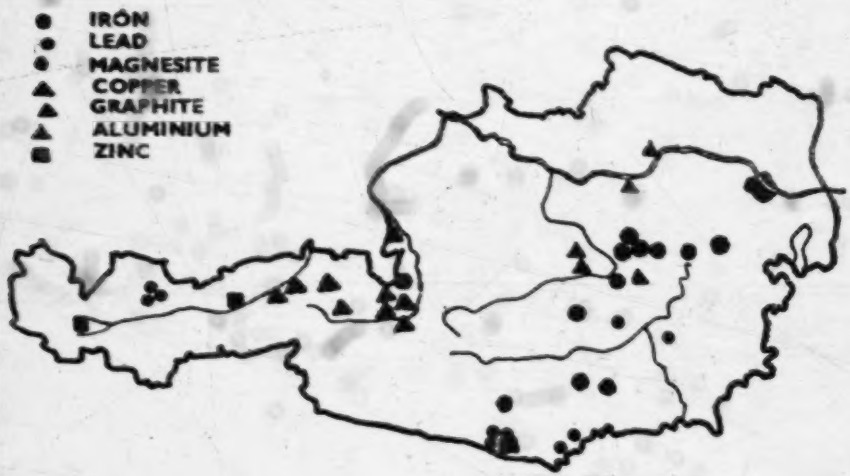

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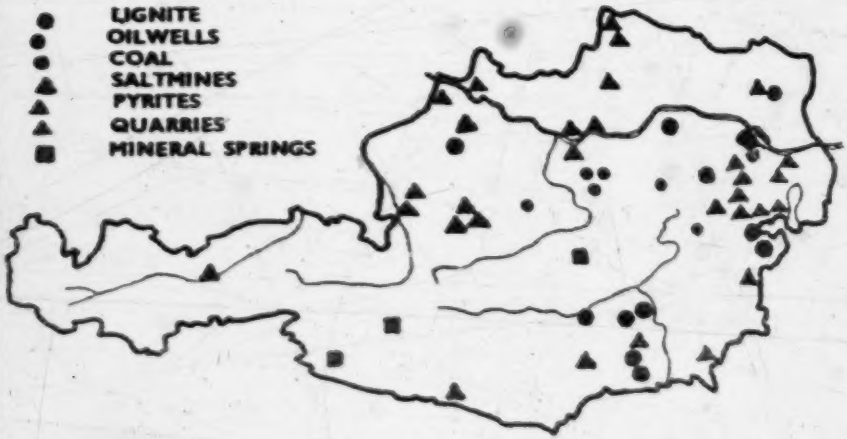

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